

## Coins

# *Silver prices gleam with popular polish*

By Roger Boye

**THE PRICES OF** silver dollars and other silver coins have increased handsomely in recent weeks, thanks to a strong collector demand and the rising value of silver bullion.

"I sell silver dollars about as fast as I get them in; uncirculated Morgan dollars (minted from 1878 to 1921) are especially popular," said a suburban coin dealer who has hiked his buying price for common-date silver dollars four times in the last five months.

A year ago, the dealer and others paid about \$3.90 for a common-date silver dollar in fine condition. Today, several area coin stores will pay \$5.50 for the same coin, more than 40 per cent increase. (United States silver dollars were last minted in 1935; the Eisenhower dollars made for circulation since 1971 do not contain silver.)

The retail prices of many silver dollars have gone up even faster than the dealer buying (wholesale) prices. For example, in 1977 dealers sold common-

date Morgan dollars, such as the 1887-P, 1902-O, or 1904-O, for about \$11 each in uncirculated condition. Today such coins sell for \$18.50 or more.

"Many of my customers say they are buying silver dollars as a hedge against inflation. Some of them are also buying common-date silver quarters, along with bullion gold coins," the suburban dealer said.

Most dealers are paying about four times face value — the highest price in more than four years — for circulated, common-date silver dimes, quarters, and halves minted before 1965. The value of these coins, often called "junk silver" by collectors, is determined by the price of silver bullion, which has recently been about \$5.85 an ounce.

Some numismatic experts believe the price of silver — and thus the value of U. S. junk silver coins — is bound to go up even more. They point out that silver bullion has not increased as fast in price as has gold bullion.